

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION

HARVEY HORWITZ, Derivatively on Behalf
of QUORUM HEALTH CORPORATION,

Plaintiff,

v.

THOMAS D. MILLER, MICHAEL J.
CULOTTA, BARBARA R. PAUL, R.
LAWRENCE VAN HORN, WILLIAM S.
HUSSEY, JAMES T. BREEDLOVE,
WILLIAM M. GRACEY, JOSEPH A.
HASTINGS, and ADAM FEINSTEIN,

Defendants,

-and-

QUORUM HEALTH CORPORATION, a
Delaware Corporation,

Nominal Defendant.

Case No.: 3:18-cv-00875

Chief Judge Crenshaw
Magistrate Judge Brown

ORDER] GRANTING STAY

Upon review of the parties' stipulation, and for good cause shown, the Court orders as follows:

1. This action, including all deadlines, hearings and the Local Rule 16.01 case management conference currently scheduled for December 3, 2018 at 11 a.m., is hereby temporarily stayed pending entry of an order on any motions for summary judgment filed by Defendants in *Rao v. Quorum Health Corporation., et al.*, No. 3:16-cv-02475 (the "Securities Action"), or until further ordered from this Court;

2. Unless otherwise ordered by this Court, within thirty-five (35) days of an order on any motions for summary judgment in the Securities Action, the Parties shall file a joint motion requesting a Local Rule 16.01 initial case management conference, and shall meet and confer and submit a proposed schedule to the Court for further proceedings in this Action, which

proposed schedule shall provide for resolution of any Motion to Transfer before Defendants are required to respond to the complaint or discovery commences;

3. Defendants' agreement to this Joint Stipulation Requesting Stay and any actions Defendants take in this Action during the pendency of the stay shall not constitute consent to litigate this Action in this Court and shall not waive Defendants' right to file the Motion to Transfer;

4. Plaintiff will not oppose the Motion to Transfer on the grounds that Defendants agreed to the Joint Stipulation Requesting Stay, that the Action has been pending in this Court during the pendency of the stay, or that Defendants otherwise waived the forum selection clause in the By-laws by participating in the Action in this Court;

5. In the event that a mediation takes place in regards to the Securities Action during the course of the stay referred to in paragraph 1, Defendants will provide reasonable advance notice of the mediation;

6. In the event that a mediation takes place in regards to any other factually related derivative action during the course of the stay referred to in paragraph 1, Defendants will provide reasonable advance notice of, and allow Plaintiff to meaningfully participate in, the mediation;

7. Plaintiff may file an amended complaint during the pendency of the stay, but Defendants shall have no obligation to respond to the Complaint or any amended complaint until the proposed schedule has been entered by the Court pursuant to paragraph 2 above after the stay has been lifted;

8. Defendants preserve all defenses and objections to the Complaint, amended or otherwise, including, among others, those related to the forum selection clause in the By-laws and the allegations of the Plaintiff that making a pre-suit demand on Quorum's Board of Directors would have been futile and is, therefore, excused;

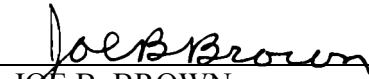
9. The composition of Quorum's Board of Directors that will be considered in connection with determining whether the Complaint, amended or otherwise, has adequately pled that a pre-litigation demand on the Company's Board of Directors would have been futile shall be

the composition of the Board of Directors as of September 17, 2018, the date this action was initiated (for clarity, nothing in this paragraph is intended to waive Plaintiff's allegations in paragraph 122 of the complaint regarding whether certain non-defendant directors should be considered in the Court's analysis of whether demand was futile); and

10. The Parties do not waive any rights or defenses not specifically addressed herein, including the right to file any motion that any Party deems appropriate, including a motion to lift the stay.

IT IS SO ORDERED.

DATED: October 26, 2018



JOE B. BROWN
United States Magistrate Judge

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing has been served upon the following Filing Users through the Court's Electronic Filing System:

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This 22nd day of October, 2018

/s/ James A. Haltom
James A. Haltom